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Procedia Economics and Finance 6 (2013) 430 – 435

Procedia
Economics and Finance

www.elsevier.com/locate/procedia

International Economic Conference of Sibiu 2013 Post Crisis Economy: Challenges and Opportunities, IECS 2013

Leadership – a Key Factor to a Successful Organization – Part II

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Abstract

Leadership is the well-known and often discussed process nowadays of influence exerted by one person, accepted and followed by all, over the other factors (human resource) that he works with, in order to reach the organizational goals.

This research is the second part of a long cycle aimed to determine the knowledge and application of the leadership concept in the Romanian organizations considering the influences imposed by the external environment, often characterized by frequent changes. These changes may have positive or negative effects on organizations, and that is why organizations have to react fast in order to take advantage of opportunities and to protect from threats. We consider important for this research to determine the involvement of leadership in generating change among managers of Romanian organizations.

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Selection and peer-review under responsibility of Faculty of Economic Sciences, Lucian Blaga University of Sibiu.

Keywords: leadership; leader; change; influence.

1. Introduction

According to the author O. Nicolescu, leadership is "the process by which a person sets goals or a direction for one or more people and motivate them to act with competence and full commitment to achieve them" (O. Nicolescu, 2007). Leadership is one of the defining elements of successful people and is linked to the leader's personality, his ability to influence, to generate interest, expectations, emotions, and his ability to arouse the interest of those around him. This involves creating a vision, setting goals, determining the values and principles of action and a lot of effort from all those involved. In other words, modern leader manages to make the transition from "dependence to interdependence and support the professional development of those around him" (M. Nastase, 2007).

The leader must act as a master, a good strategist, organizing and directing each employee to work together to achieve goals. "The new leader is the one who leads people to action, converts followers into leaders and may convert leaders into agents of change" (W. Bennis, N. Burt, 1985).

Leaders are those charismatic individuals with high availability for communication and also a great capacity for understanding economic and social problems. A good leader must be a good communicator who cares about his employees and an expert in his field, a good strategist who thinks ahead and a promoter of change, because change is vital for future success. By the continuous adaptation to market changes, a leader helps his organization to continue grow and thus become more competitive, by employees whom they have available. He must encourage employees to come up with new ideas to involve them in planning and implementing change and such change will be not only accepted but also implemented by the team.

2. The research's objectives

This research is the second part of a long cycle aimed to determine the knowledge and application of the leadership concept in the Romanian organizations under conditions imposed by the external environment which is characterized by frequent changes and variations with both positive and negative effects on organizations, and also to determine the response of the organizations to these changes.

We consider important for this research to determine the involvement of leadership in generating change among managers of Romanian organizations. This requires setting specific objectives to this research, just as follows:

- the need of the organizations to assimilate and adapt to changing;
- the need for change-oriented leaders;
- identify the role of leader in the change process;
- methods used by leader in the process of leading from one stage to another.

3. The research methodology

After having established the research's objectives, the research team has analyzed the ways to obtain information. The research was conducted at national level through a market research company, with national coverage. The Internet was used as data collection tool as the company managed web interviews assisted by computer within it's online panel.

The identification data of the subjects, namely the independent variables of the research are: the position of the subject within the company, the professional training of the subject, the subject's age and sex, the work field of the organization and its turnover, all of these are necessary in the observation of the knowledge mode and implementation of the concepts under analysis. Regarding the position in a particular company, there were raised questions about the field in which the business activity fits and information about the turnover of the company in order to see if there is any connection between them and the research objectives. These questions were closed questions; the possible answers are predetermined and displayed. Age-related question was an open one, which determined the continuation or interruption of the interview.

The research shows that out of 102 managers who were analyzed, more than a half (55%) are women, and in terms of the age, the most of them are between 26 and 30 years old (31%), followed closely by those aged between 20 and 25 years (30%). The majority of the interviewed managers hold an inferior leading position as follows: top management, those from the head of company (11%), mid-level managers, those who coordinates several teams or a department (23%) and lower-level managers, those who coordinate several people (66%). This can help us notice the influence of leadership in generating the change through projects. Most of the subjects who hold leading positions in companies are University graduates at a rate of 65%, followed by graduates with Masters Degrees (17%), college graduates (12%), graduates of secondary education (post-secondary and vocational school, 4%) and doctoral graduates (2%). Most of the companies they represent activate in trade domains (32%), followed by those in services area (24%). The majority of them had in 2011 a turnover of less than 1 million RON (21%).

4. The results of the research

In order to observe the exercise of authority and the influence exercised by the manager over the employees whom he leads, the following question was formulated: *"How can you define the behavior of decision-making in the*

management process of your organization?" Most respondents evaluate themselves by falling into the category of those who practice leadership rather than those who use their position in the company to determine the action and mobilization of employees. Thus, 68% define their decision-making behavior in the management process of the organization "by team involvement and application of a wide range of rewards" and 32% are in the variant of "using strict methods of control and application of coercive resources" (fig. 1).

How can you define your behavior of decision-making in the management process from your organization?

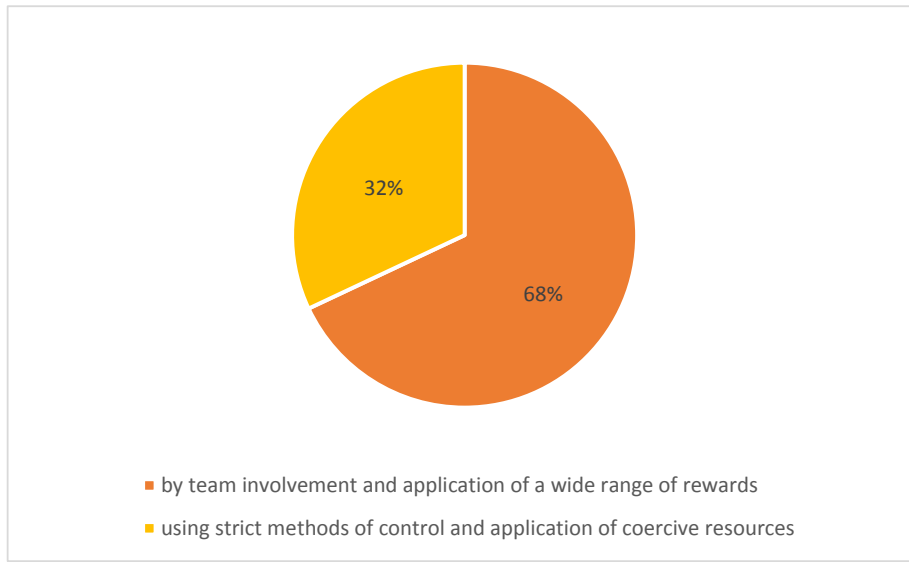


Fig. 1. Defining the behavior of decision making in the management process in terms of managers

According to analysis results, Figure 2 shows the managers who, in their daily activity have as a primary orientation the employees' tasks or the care for the coordinated team members. In generally, we found that 46% of respondents said that their focus is more on the daily tasks rather than on people, which means that for them it is very important achieving goals, and this is usually encountered in the managerial position they own. Naturally, a much smaller number of managers have as a main concern throughout the day activity the human resources they coordinate (over 20%). The latter can be considered managers who have qualities of a leader.

Analyzing your daily activity, on what do you orient more?

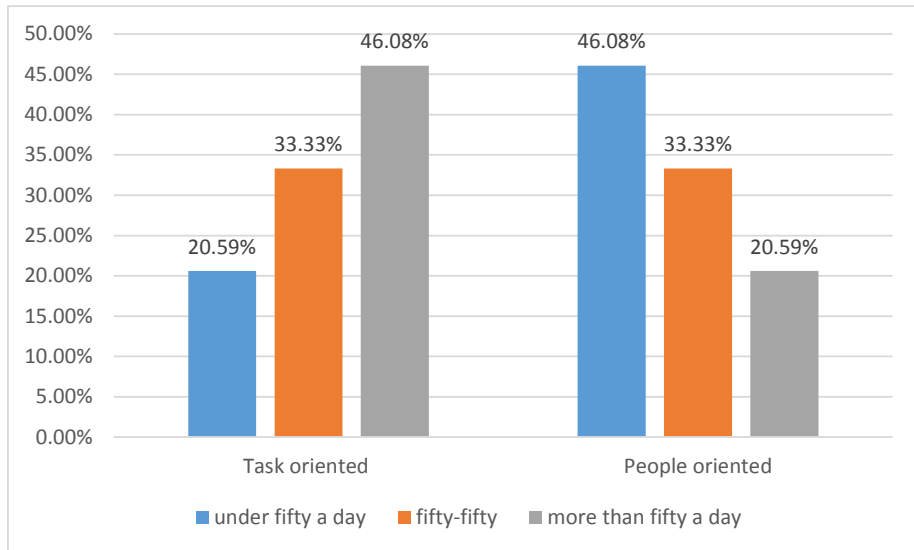


Fig. 2. Managers' orientation toward task or people

Based on long experience in the management of the organization, and understanding (either by briefing or from other sources) the concept of "leadership" and the role of "leader" exercised by a person with influence over other people, most respondents (92%), namely those who occupy positions of leadership in organizations, believe that leaders are agents of change (Figure 3).

Based on the experience you gained in the management of the organization, do you believe that leaders are agents of change or not?

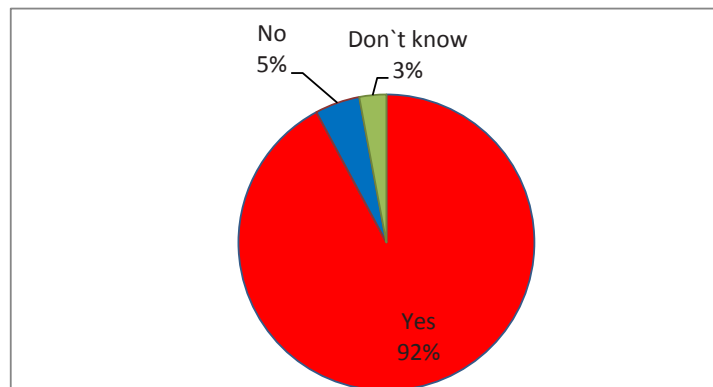


Fig. 3. Recognition by managers that leaders are agents of change in organizations

In the influence process exercised by the leader on his supporters in order to implement change, meaning the transition from a known to an unknown stage, so that organizational objectives are achieved in terms of efficiency and effectiveness, the leader meets resistance due to several factors. To successfully drive change, it is important for the leader to identify and understand the factors that make employees resist change. According to research results, most managers have identified the following factor: "doubt that change is achievable" as the most common one (56.86%). The second factor identified by 47.06% of managers is "the belief that change is not necessary", then "the loss of position or power" (44.12%), "relatively high costs of change" (24.51%), "endangerment values or ideals" (14.71%), "fear of new" (3.92%) and others (2.94%) (fig. 4).

L7. It is said that implementing change in the organization will have high chances of success if leaders understand why employees resist change. Which of the following factors do you think are making employees resist the change?

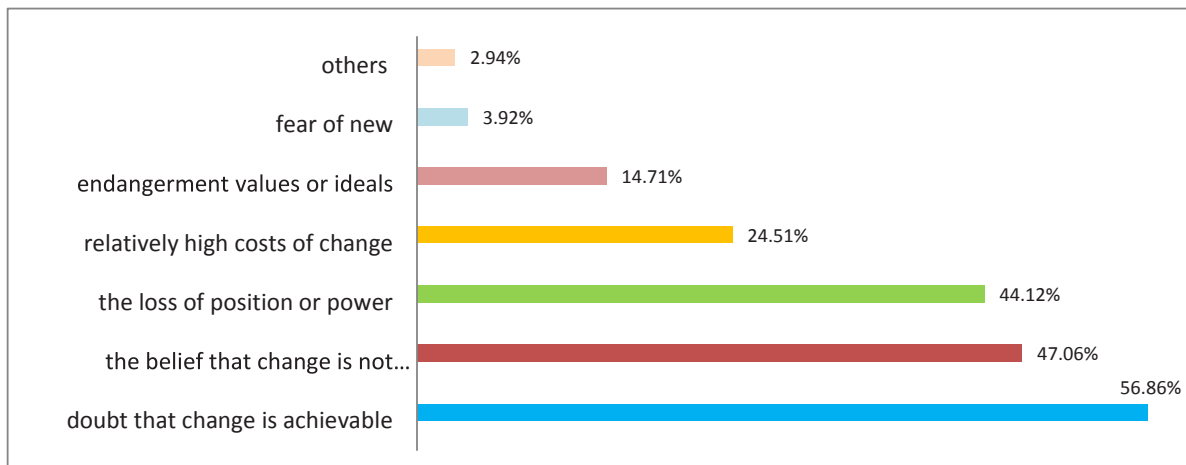


Fig. 4. Factors of change resistance identified in organizations by managers

Once known the factors that oppose the implementation of change in organizations, it is important for the leader to identify ways that counteract their effect. Based on the interpretation of the research results in terms of managers, most of them consider that an efficient way of determining and mobilizing workers for change is "preparing people to adapt to the changes that will come" 64.71%, followed by the action of "communicating the progress in the process of change" 61.76%, and "empowering people to implement change" 41.18%. Not insignificant is "communicating a strong message on the urgency of change" 31.37% and others 4.90% (financial motivation 3.92% 0.98% employee opinions) (fig. 5).

Thinking about the realities of the organization in which you work, which of the following actions would mobilize workers for change?

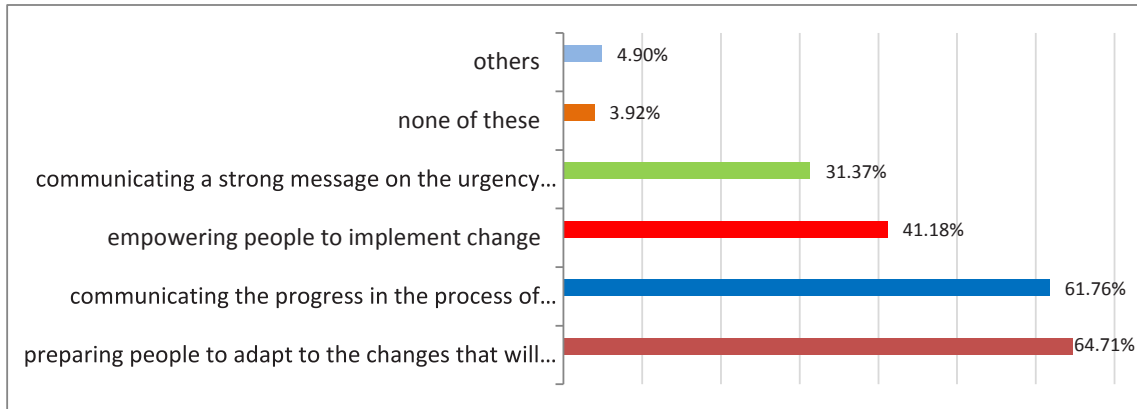


Fig. 5. Actions for change in organizations indicated by managers

In conclusion, we can say that:

- Most respondents, 68%, define their behavior of decision-making within the process of organization management as "team involvement and application of a wide range of rewards", meaning exercising leadership through the advantages they bring to the management of organizations.
- Most respondents (92%), those who occupy positions of leadership in organizations, believe that leaders are agents of change.
- The main factors that resist the change identified by managers are: "doubt that change is achievable" (56%), "the belief that change is not necessary" (47%) and "loss position" (44%).
- Most respondents consider that an effective way of determining and mobilizing workers for change are "preparing people to adapt to the changes that will come" 64%, followed by the action of "communicating the progress accomplished in the process of change" 61%, and "empowering people to implement change" 41%. Thus, through this part was achieved the identification of procedures used in the process of leading from one state to another.

According to these research conclusions the managers of organizations know and agree that leaders are agents of change in organizations which involve team in decision process and use a wide range of rewards. So the next successful organizations will be those who understand, and not just this, but act to develop their leaders which can influence by their qualities and skills used to determine others to achieve certain goals in these times of incertitude.

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